



Foreign Agricultural Service

**GAIN Report**

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## **Yugoslavia**

### **Fresh Deciduous Fruit**

### **Frost Damages Fruit Crop**

## **2002**

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#### **Report Highlights:**

**April frost reduced Serbian fresh deciduous fruit production by more than half. Losses are estimated at 140 million USD. For years, Serbia was a net exporter of fruit. However, in MY2002, Serbia will have to import deciduous fruit for the first time. The Serbian Ministry of Agriculture is preparing emergency measures to help the most seriously affected fruit producers.**

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Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Sofia [BU1], YI

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According to the Serbian Association of fruits and vegetable producers, consequences of the last month low temperatures and frosts, especially in the night between 7<sup>th</sup> and 8<sup>th</sup> of April, are treated currently in Serbia as natural catastrophes. Half of the expected production of fruits is lost and some 20% of grapes. Serbian Ministry of Agriculture has announced that total value of the damaged fruits in April 2002 is 140 million USD.

This year some of the fruit's types will not be offered at the Serbian market at all, like apricots, peaches, cherries, walnuts, while other types will be offered in much smaller quantities than usual, like apples, plums, pears and strawberries. Fruits were mostly damaged in flat parts of the country (Vojvodina and parts of Serbia), while fruits in valleys are in much better condition. The worst hit were apricots, peaches, cherries and walnuts. 90% of the bloomed trees of those fruits were damaged.

Instead of planned production for MY 2002 of 967,000 mt of all fruit types, according to Serbian fruits experts only 450,000 mt of fruits will be produced in MY2002.

Grapes were also damaged by the April's frost. Instead of 400,000 mt of planned production of grapes in MY2002, Serbia will have maximum 320,000 mt, which is 20% less than planned. The least damages were reported on the plum trees especially Serbian type "pozegaca", traditionally more produced in Central and South parts of Serbia.

Due to very early warm weather this winter in February and March, with temperatures between 12-18 C (in some areas up to 20 C) most of the fruit trees were very early in blossom. The blossom of fruit trees started from 28<sup>th</sup> February and this is the main reason why fruit trees were so much damaged with "cold storm" in the night between 7<sup>th</sup> and 8<sup>th</sup> April 2002. Temperatures of - 5 C to -8 C that night were not the record low for the past years but due to very early blossom of the fruit trees this year huge damages were reported.

Beside the producers of fruits huge problems in production will have companies in the Fruit Processing Sector in Serbia. Companies will be in shortage of raw fruits for their production or will be forced to import fruits for much higher prices than they would usually purchase locally.

Serbia was for many years net exporter of fruits but most probably in MY2002 will become for the first time importer of the different fruits, while prices of the domestic fruits, traditionally very low comparing to the West European prices, will be increased at the local market.

This year the main export product in Serbia (fruits) is decreased in value and volume for more than half in total (depending of the fruit type) and will have negative inputs on the total export level from Serbia and the economy as a whole.

Serbian Ministry of Agriculture has announced that last week they formed Special Emergency Fund in accordance with the Ministry of Finance. Special Fund will help fruit growers in Serbia who suffered damages in their fruit production in April's frosts. First installment for help will be 100 million dinars (1.5 million USD). This amount will be given to huge state and publicly owned agriculture companies but also to the small private producers. Republican Inspectors will visit all fruit growers that suffered catastrophic damages this April after which they would all be able to request financial support from the State. Ministry of Agriculture is preparing additional measures to help fruit growers besides funding from the Special Emergency Fund. Ministry will suggest to the Serbian Government to reduce or abolish payments of annual taxes by the fruit growers who suffered damages this spring.